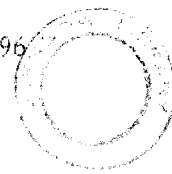


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ANNUAL REPORT

THE CROW'S NEST PASS
COAL COMPANY, Limited



FOR YEAR ENDED
DECEMBER 31st, 1934

BOARD OF DIRECTORS

W. R. Wilson	A. H. MacNeill, K.C.
L. C. Gilman	Charles Bocking
James T. Maher	Dr. G. W. Howland
Erasmus C. Lindley	Charles H. Locke
Thomas Balmer	

EXECUTIVE COMMITTEE

Charles Bocking, Chairman

W. R. Wilson	L. C. Gilman
James T. Maher	A. H. MacNeill, K.C.

OFFICERS

W. R. Wilson	President
A. H. MacNeill, K.C.	First Vice President
L. C. Gilman	Second Vice President
H. P. Wilson	General Manager
Geo. H. Hess, Jr.	Comptroller
A. A. Klauer	Treasurer
J. S. Irvine	Secretary
Welch, Anderson & Company	Auditors

TRANSFER AGENT

Toronto General Trusts Corporation, Toronto, Ont.

REGISTRAR

National Trust Company, Limited, Toronto, Ont.

Fernie, British Columbia,
April 5th, 1935.

TO THE SHAREHOLDERS OF

The Crow's Nest Pass Coal Company, Limited :

Herewith is submitted the Annual Report of your Company for the year ended December 31, 1934.

There is included a Balance Sheet as of December 31, 1934, also surplus account, together with certificate from your Auditors, Messrs. Welch, Anderson and Company.

The profit from all sources after depreciation and depletion amounted to \$239,845.33.

No expenditures on Capital account were made during the year.

Dividends during the year were paid to the shareholders, amounting to \$248,472.00, equivalent to \$4.00 per share of stock outstanding at the end of the year. In addition a payment of \$2.00 per share was authorized on December 29, 1934, payable February 1, 1935, to holders of record at the close of business on January 10, 1935.

The operating loss for the year of the subsidiaries, the Crow's Nest Pass Electric Light and Power Company, Limited, after depreciation, was \$8,135.31, and of the Morrissey, Fernie and Michel Railway, after depreciation, \$62,424.33.

The tonnage of coal produced during the year amounted to 429,668 tons, as compared with 291,721 tons during 1933.

Coke produced during the year amounted to 24,841 tons as compared with 9,097 tons during 1933.

By Order of the Board of Directors,

W. R. WILSON,
President.

AUDITORS' REPORT AND CERTIFICATE

Toronto, Canada,
February Thirteenth,
Nineteen Thirty-five.

To the Shareholders,

The CROW'S NEST PASS COAL COMPANY, LIMITED,
Ferne, B.C.

Gentlemen :

We report that we have audited the books and accounts of your Company for the year ended December 31st, 1934, and certify that we have obtained all the information and explanations required.

We confirmed the Securities of the Company held for safekeeping by the Imperial Bank of Canada, Vancouver Branch, by certificate from the Depository.

The cash and bank balances were verified either by actual count or by certificate from the Depositories.

Investments in Subsidiaries on the attached statement is shown at cost. Deficits in such Subsidiaries, amounting to \$257,195.42, have not been provided for in the account of your Company.

We further certify that the attached Balance Sheet is, in our opinion, properly drawn so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given us and as shown by the books of the Company.

WELCH, ANDERSON & COMPANY,
Chartered Accountants.

THE CROW'S NEST PASS COAL COMPANY, LIMITED

BALANCE SHEET—DECEMBER 31st, 1934.

Assets

Cash on hand and in Banks	\$ 578,052.56	
Accounts receivable (less reserve)	280,457.56	
Inventories of coal and mine supplies (at cost)	270,940.20	
Bonds and shares (at cost)	551,878.68	
	<hr/>	\$1,681,329.00
Accounts receivable — subsidiaries	25,057.52	
Subsidiaries shares wholly owned at cost..	758,796.98	
	<hr/>	783,854.50
Mines, Real Estate, Buildings, Plant and Equipment, at Cost less amounts written off to Reserves	5,597,922.60	
Less Reserves :		
Depletion and Depreciation	2,278,313.66	
	<hr/>	3,319,608.94
Prepaid expenses		12,172.32
		<hr/>
		<u>\$5,796,964.76</u>

Liabilities

Accounts payable	\$ 60,082.96	
Provision for Dominion of Canada 1934		
Income Tax	23,678.25	
Dividend declared to shareholders, payable February 1st, 1935	124,236.00	
	<hr/>	207,997.21
Due to subsidiaries	74,496.79	
	<hr/>	\$ 282,494.00
Capital—authorized \$10,000,000.00 (100,000 shares of \$100.00 par value)		
Subscribed and paid up	6,212,666.66	
Deficit as at December 31st, 1934	698,195.90	
	<hr/>	<u>\$5,796,964.76</u>

Signed on Behalf of the Board : W. R. Wilson, Director.

Charles Bocking, Director.

THE CROW'S NEST PASS COAL COMPANY, LIMITED

PROFIT & LOSS ACCOUNT—DECEMBER 31st, 1934.

Profit on coal and coke operations	\$354,664.53
Less : Directors' fees	\$ 3,200.00
Depreciation	110,981.64
Depletion	42,966.84
	<hr/> 157,148.48
	197,516.05
Add : Other income :	
Interest on securities	27,945.44
Interest on bank balances, exchange, etc.	11,475.08
Sundry income	22,142.52
	<hr/> 61,563.04
	259,079.09
Profit on securities matured	2,659.70
Profit before Income Tax	261,738.79
Less : Provision for Income Tax, 1934	21,893.46
	<hr/> \$239,845.33

Deficit Account—December 31, 1934.

Distributions to Shareholders out of Depreciation and Depletion Reserves to December 31st, 1933	\$671,207.24
Add : Dividends—Declared and paid in 1934	\$248,472.00
Declared and payable Feb. 1st, 1935 ..	124,236.00
	<hr/> 372,708.00
Less : Balance of profits for year ended December 31st, 1933	\$105,874.01
Profits for year ended December 31st, 1934	239,845.33
	<hr/> 345,719.34
Proportion of dividends declared payable out of Depreciation and Depletion Reserves	26,988.66
	<hr/>
Deficit December 31st, 1934	(x) \$698,195.90

(x) This amount represents distributions paid or payable to shareholders to date out of Depreciation and Depletion Reserves under powers conferred on the Company by Section 83, S.S. 4, of the Dominion Companies Act. These Reserves represent wasted capital assets of the Company.

